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October 29, 2012

TO: Each Supervisor

FROM: Jonathan E. Fielding, M.D., M.P.H.
Director and Health Officer

SUBJECT: **NOTIFICATION TO REQUEST DELEGATED AUTHORITY TO APPROVE
INCREASES OR DECREASES OF GREATER THAN 10 PERCENT OF THE
TOTAL CONTRACT AMOUNT**

This is to notify you that the Department of Public Health (DPH) intends to request delegated authority to approve increases or decreases in funding up to 25 percent above or below each term's annual base maximum obligation for two sole source contracts with: 1) Realistic Education in Action Coalition to Foster Health (REACH LA), to provide HIV/AIDS transitional case management services for HIV-positive youth (TCMY) ages 13 to 24 who have fallen out of HIV-specific primary health care and/or other supportive services, and assist those youth who are newly diagnosed; and 2) Public Counsel for the provision of HIV/AIDS legal services for former HIV & AIDS Legal Services Alliance (HALSA) clients to allow for the legal resolution of all outstanding cases. Both of the above-referenced sole-source contracts are under \$250,000, therefore, advance Board notice in accordance to Board policy 5.100 is not required. These sole source contracts will appear before the Board on December 11, 2012 for your approval. This memo is being sent in accordance with Board of Supervisor's Policy 5.120, which states that prior Board notice is required for any department requesting delegated authority to increase Board-approved contracts by over 10 percent.

BACKGROUND

Transitional Case Management Youth Services

Typically, young people living with HIV/AIDS (PLWHA) are at greater risk of falling out of care, treatment non-adherence, and co-morbidities such as substance abuse and mental health issues. Literature shows that the young PLWHA population often has a propensity for risk-taking, feelings of invulnerability, and lack of sexual maturation – all qualities that encourage frequent sexual activity and experimentation, with little thought towards protection and/or abstinence.

On February 7, 2011, your Board approved seven Transitional Case Management contracts through March 31, 2013. Of those seven contracts, two are TCMY contracts with: 1) AltaMed Health Services Corporation, providing services in Service Planning Areas (SPAs) 3 and 7, serving a minimum of 86 unduplicated clients, and providing 1,830 hours of direct case management services during each contract term; and 2) Children's Hospital Los Angeles, serving SPA 4, reaching a minimum of 56 unduplicated clients, and providing 2,371 hours of direct case management services. Services are client-centered using motivational interviewing techniques designed to promote access to and utilization of necessary health care by identifying and linking individual PLWHA ages 13 to 24 to HIV medical care clinics and other supportive services.

Legal Services

The 2011 Los Angeles Coordinated HIV Needs Assessment found that the nearly 60,000 PLWHA in the County face significant barriers to achieving self-sufficiency; 41 percent of study participants reported having an annual income of less than \$10,000; 64 percent were at or below the federal poverty level; and 17 percent reported being chronically homeless. Access to free legal assistance that can improve household income and increase access to medical benefits plays a vital role in the stability and health of PLWHA and their families. The recent closure of HALSA has left dozens of PLWHA with unresolved legal issues. The Commission on HIV (COH) recently allocated additional funding to benefit specialty services for Ryan White Program Year 22 and Year 23, for the specific purpose of assisting former HALSA clients transition to another publicly-funded legal services provider, and resolve all outstanding legal cases.

JUSTIFICATION

A delegated authority of 25 percent is being requested in order to put resources into both contracts to accommodate increases in demand for TCMY and legal services and/or the need to adjust staffing to meet the increased client demand. This will enable DPH to amend contracts to allow for the provision of additional units of funded services that are above the service level identified in the current contracts and/or the inclusion of unreimbursed eligible costs, based on the availability of grant funds and upon approval of the DPH Director or his designee.

Given that REACH LA will be serving clients lost to HIV care who need re-engagement, DPH is requesting additional flexibility to modify the contract to ensure that funding levels are congruent with client demand. In addition, since Public Counsel will be serving former HALSA clients, the increased demand for legal services may require additional staffing or operational expenses on this contract.

While the County is under no obligation to pay a contractor beyond what is identified in the original executed contract, DPH may determine that the contractor has provided evidence of eligible costs for qualifying contracted services, and that it is in the County's best interest to increase the maximum contract obligation as a result of receipt of additional grant funds or a determination that funds should be reallocated. This recommendation shall have no impact on net County cost. This authority is being requested to enhance DPH's efforts to expeditiously maximize grant revenue, consistent with Board Policy 4.070: Full Utilization of Grant Funds.

NOTIFICATION TIMELINE

The Board letter to request the delegated authority and approval to execute the sole source contracts is projected for the Board meeting of December 11, 2012. To allow time for your review and comments, we will not enter into negotiations until ten business days following the date of this memorandum.

If you have any questions or would like additional information, please let me know.

JEF:mmc

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors